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FM AMEMBASSY BEIJING  
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INFO RUEHGO/AMEMBASSY RANGOON PRIORITY 4353  
RUEHKO/AMEMBASSY TOKYO PRIORITY 0633  
RUCNARF/ASEAN REGIONAL FORUM COLLECTIVE  
RUEHOO/CHINA POSTS COLLECTIVE  
RUEHKN/AMEMBASSY KOLONIA 0008  
RUEH MJ/AMEMBASSY MAJURO 0121  
RUEHPB/AMEMBASSY PORT MORESBY 0125  
RUEHSV/AMEMBASSY SUVA 0056  
RUEHWL/AMEMBASSY WELLINGTON 0551  
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S E C R E T SECTION 01 OF 03 BEIJING 010909

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E.O. 12958: DECL: 06/01/2021

TAGS: [PREL](#) [CH](#)

SUBJECT: A/S HILL'S MAY 25 WORKING LUNCH WITH VFM WU DAWEI

BEIJING 00010909 001.3 OF 003

Classified By: DCM David S. Sedney. Reasons 1.4 (b) and (d).

Summary

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¶1. (S) Visiting EAP Assistant Secretary Christopher R. Hill urged VFM Wu Dawei to improve relations with Japan and use PRC influence to push the Burmese regime to release Aung San Suu Kyi (ASSK) during a May 25 working lunch. A/S Hill also noted the negative impact of PRC/Taiwan competition on Pacific Island states. Wu stressed that Beijing seeks improvement of relations with Tokyo but has no choice in its response if Japan does not handle history issues properly. He expressed satisfaction with the meeting between Foreign Ministers Li and Aso. Wu complained about the Burmese regime, noting that the PRC has raised ASSK but that the senior military leadership views her as a threat and is unlikely to release her. Wu closed by urging U.S. participation in the East Asia Summit and saying that China will not challenge the U.S. role and our interests in East Asia. End Summary.

¶2. (S) During a May 25 working lunch, visiting EAP Assistant Secretary Christopher R. Hill discussed Burma, Japan and East

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Asian regional architecture with PRC Vice Foreign Minister Wu Dawei. Wu opened by saying he had closely studied A/S Hill's recent speech in Singapore, noting his satisfaction with the positive characterization of the PRC role in the region as well as the potential for greater U.S.-China cooperation.

Japan

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¶3. (S) A/S Hill told VFM Wu that we are concerned about China-Japan tension and urge both sides to make a serious effort to stabilize their relationship. Acknowledging Wu's explanation about historical issues, A/S Hill said that Americans remember Pearl Harbor but that this has not prevented us from welcoming Japan's evolution into a peaceful and democratic country that plays a positive role in the world. A/S Hill said we are committed to making U.S.-Japan relations work for us, for Japan and for the rest of the world.

14. (S) Wu said the PRC recognizes that it was the United States that defeated Japanese militarism, saying that the PRC made a specific effort to call attention to the U.S. role in WWII in various commemorations of the 60th anniversary of the end of the war in order to remind Chinese of the U.S. contribution. Rehashing familiar points, Wu said that if PM Koizumi wants to worship class-A war criminals at the Yasukuni Shrine, that is his business, but not when he is Prime Minister. Wu cautioned that while Japanese officials like to say that they share U.S. values, this is not true when it comes to history. Urging the United States to talk to Japan as a friend about the need to show greater sensitivity about the history issue, Wu commented that it is in the U.S. interest for Japan to improve relations with the ROK as well as China. In addition to the Yasukuni Shrine issue, Wu highlighted continuing delays in cleaning up abandoned Japanese chemical weapons as a festering problem. This is not just a historical issue, as farmers continue to stumble on decaying chemical munitions, according to Wu. Beijing takes relations with Tokyo very seriously and fully understands their importance to both countries as well as to the region. The PRC hopes Japan will handle the history issue appropriately, Wu said, adding that Beijing has no choice in how it responds if Tokyo does not improve the situation.

15. (S) Asked about the Doha meeting between Foreign Ministers Taro Aso and Li Zhaoxing, Wu expressed guarded satisfaction, saying the two had agreed to work together to overcome obstacles to better bilateral relations. This includes improving cooperation in other fields, according to Wu, who noted that he knows Aso well and considers him a "pretty good guy" from his time as Ambassador in Tokyo.

Burma  
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16. (S) A/S Hill raised Burma, noting that ASEAN countries complain that their leverage over Rangoon is limited because

BEIJING 00010909 002.3 OF 003

of Beijing's support for the regime. A/S Hill urged the PRC to use its influence to convince the Burmese regime to stop isolating itself, release Aung San Suu Kyi (ASSK), and begin true reform efforts, noting that continuing along the current path is dangerous to Burma, its regime and to the region.

17. (S) Wu responded that there has not been real peace in Burma for over 50 years, as no government has been able to completely resolve lingering ethnic disputes. Civilian and military governments have tried and failed, according to Wu, who commented that despite all of the military regime's faults, it is possible that they have done better on ethnic issues than previous governments. The security situation in Burma, particularly in the Northeast, is very volatile. Noting that there had been an outbreak of fighting on May 24, Wu said that a number of Burmese had fled across the border into China. Such incidents threaten stability on the Chinese side of the border. In addition, the flow of narcotics from the Golden Triangle has an impact on the PRC, according to Wu, who said that Beijing is increasingly frustrated with the Burmese regime where one person makes every major decision. The PRC had been caught by surprise when the regime moved the capital to Pyinmana and was once again surprised when it changed the capital's name earlier in the week, complained Wu.

18. (S) When pushed by A/S Hill, Wu said the PRC has raised ASSK on several occasions, explaining to the Burmese that her release would send a positive signal of support for national reconciliation. Burmese officials made clear that their vision for national reconciliation does not include ASSK, said Wu, commenting that the most senior leaders fear her and are unlikely to release her. Chinese leaders have also discussed the need to reach out to political parties and change the constitution, but with little response other than

reiteration of Burmese statements on ethnic reconciliation. Wu complained that during a 2005 visit, he held 12 hours of talks in which his Burmese counterpart who read from only one page of talking points, constantly repeating himself. The PRC supports Burma because it is a neighbor, not because Beijing likes its policies, stressed Wu, who said China is trying to make clear to the Burmese leadership that they must open up their country in order to promote economic development. The PRC does not like the military regime but expects it to continue in power for the near future.

#### Pacific Islands

¶9. (S) Acknowledging that VFM Wu is not directly responsible for Beijing's relations with the Pacific Islands, A/S Hill stressed our concern that competition between the PRC and Taiwan is fueling corruption that weakens already precarious island states. Wu agreed that "money diplomacy" is bad, but blamed the phenomenon entirely on Taiwan, asserting that the PRC does not give money directly to individuals in return for diplomatic recognition. A/S Hill pointed out that the PRC does provide a variety of assistance projects in Pacific Island states that are often identified as providing side benefits for local leaders. This can have a similar impact to direct payments, commented A/S Hill, who noted that Australia and New Zealand have expressed concern about the destabilizing impact of PRC/Taiwan competition as took place in the Solomon Islands. Wu said Beijing will continue to work to improve its ties to the Pacific Island states but also recognizes the importance of promoting stability and welcomes the Australian and New Zealand roles in the region.

#### East Asian Architecture

¶10. (S) Raising U.S. concerns about the East Asia Summit (EAS), VFM Wu urged the United States to participate in the EAS. While ASEAN countries have internal differences on many issues, they all want ASEAN to be in the driver's seat, Wu stated. Noting that India, Australia and New Zealand do not want to be second-class citizens in an evolving East Asian architecture, Wu said Beijing hopes they will have equal status under the 10 plus three framework. ASEAN countries would like to see a U.S. role in the EAS, said Wu, who commented that U.S. involvement would be positive for all concerned, including China. U.S. investment, market access and technology played a major role in developing Japan, South

BEIJING 00010909 003.3 OF 003

Korea, Taiwan and Hong Kong. The United States is now playing a similar role in China's development as well as with most ASEAN states. Wu said the PRC will not challenge the U.S. role and interests in East Asia.

¶11. (U) A/S Hill's party cleared this cable.  
RANDT